BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

THIRTY-NINTH ANNUAL REPORT

for the year ended

December 31, 1988

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TO:

HONOURABLE PAUL DICKS,
Minister of Justice.

Honourable Sir:

We have the honour to submit herewith the Annual Report of the Board of Commissioners of Public Utilities for the year ended December 31, 1988.

We have the honour to be,

Sir,

Your obedient servants,

J.A.G. MacDonald, P.Eng., Chairman
R.E. Good, Vice-Chairman
G.F. Lawrence, Commissioner
T.E. Williams Q.C. Commissioner
Andy Wells, Commissioner

REPORT FOR THE YEAR 1988

The Board held 43 public hearings during the year. Of these 39 were held under The Motor Carrier Act and The Motor Vehicle Transport Act, 1987 and 4 were issued under The Public Utilities Act.

The Board, on November 18, 1988, issued an Interim Report to the Minister of Energy on the rates The Power Distribution District proposes to charge in the Wabush Service Area, after December 31, 1988. These rates were referred to the Board on November 10, 1988, in accordance with a direction from the Supreme Court, Court of Appeal as a result of the Appeal on the Board's Report to the Minister on November 26, 1987.

Throughout the year the Members of the Board and supervisory staff attended meetings, both Provincial and National, on matters of concern to the Board.

The following report summarizes the work of the Board during the year under review and also includes the reports of the activities of the various public utilities subject to the jurisdiction of the Board.

PROGRESS REPORTS

DEER LAKE POWER COMPANY LIMITED

Energy generated and purchased in 1988 totalled 740,466,322 GWH. Of this total, 732,186,000 GWH was generated at the Deer Lake and Watson's Brook Plants while the remaining 8,280,322 KWH was purchased from Newfoundland and Labrador Hydro. Above normal run-off conditions and the 43 day unscheduled shutdown at Corner Brook Pulp & Paper Limited in August and September made it possible to produce 40,894,084 KWH of secondary energy.

Capital and special repair expenditures in 1988 totalled $1,319,000 as compared with $2,900,000 in 1987. Capital expenditures ($1,197,000) included frequency conversion of a generator at Deer Lake and the general upgrading of the 66 kV transmission line system, the rehabilitation of three spillway sectors at Main Dam and replacement/upgrading of miscellaneous plant equipment.

Special repair expenditures ($122,000) included repairs to penstock cradles and transmission line foundations as well as brush clearing along the transmission lines rights-of-way.

The formula for pricing of secondary energy sold to Newfoundland & Labrador Hydro was revised and the interim approval obtained from the Board of Commissioners of Public Utilities as outlined in Order No. P.U. 24 (1988) dated December 7, 1988.

NEWFOUNDLAND LIGHT & POWER CO. LIMITED

The electricity produced by the Company and purchased for resale during 1988 increased by 7.7% to 3,991 million kilowatt hours. Of this amount, 419 million kilowatt hours were generated in the Company's own plants, while 3,572 million kilowatt hours were purchased from Newfoundland and Labrador Hydro.

Electricity sold in 1988 increased by 6.7% to 3,738 kilowatt hours. However, when adjustments are made to approximate normal weather conditions, the real growth in sales is 7.3%. The number of customers served increased 2.5% to 184,055. Sales to Electric Heating and All Electric customers, for all their electrical needs, totalled 2,132 million kilowatt hours or 57.0% of the total energy sold.

Rates were reduced 1.2% effective July 1, 1988 as a result of a credit balance in the Rate Stabilization Account.

NEWFOUNDLAND LIGHT & POWER CO. LIMITED

Capital expenditure for the year amounted to $46.6 million and is made up as follows:

Generation	$1.7 million
Transmission	3.9 million
Substations	5.1 million
Distribution	23.3 million
General Property	11.3 million
Communications	1.3 million
TOTAL	$46.6 million

NEWFOUNDLAND TELEPHONE COMPANY LIMITED

During 1988 there were no new exchanges installed, however, the Company's serving territory was expanded through the acquisition in December, of Terra Nova Telecommunications (TNT), increasing the number of exchanges from 80 to 210. Newfoundland Telephone is now the sole provider of exchange telephone service in Newfoundland and Labrador. Excluding TNT there were 16,031 telephones added to the system in 1988 representing a growth rate of 6.5%. The number of customer accounts as of year-end was 142,299, an increase of 3.5% over the previous year (TNT excluded).

The Company continued to make improvements to its overall level of service through its construction program. Growth and Modernization continued to dominate the capital program. A new digital switch was installed at Bay Roberts, while the switches at St. John's, Corner Brook and Grand Falls received major extensions. Work also commenced on new digital switches at Mount Pearl, Long Pond and St. John's.

Major service improvement projects were completed at Howley and Mary's Harbour and major site upgrades were carried out at two Labrador radio sites. Programs to replace older technology key systems, and to extend the availability of touch tone service continued during the year.

A new Joint Use Pole Agreement with Newfoundland Light & Power Co. Limited was signed during the year. As a result, 1988 was the first year of a five year program to increase Newfoundland Telephone's ownership by eight percent thereby providing a more balanced ownership.

THE IRON ORE COMPANY OF CANADA

The Iron Ore Company of Canada reported the number of customers supplied by them with electrical services in the Town of Labrador City.

The figures covering the period from 1983 to 1988 are shown below:

	1983	1984	1985	1986	1987	1988
Municipal	1	1				
Domestic	3208	3165	3130	3134	3114	3082
Commercial	164	144	139	140	138	134
Industrial	127	135	135	138	140	142
	3500	3445	3404	3412	3395	3358

MOTOR CARRIER DIVISION

REGISTRATION

At the commencement of 1988, a total of 1811 motor carriers were licensed with the Board. During the year, 240 certificates/licenses were issued and 156 were cancelled so that at the end of 1988, a total of 1895 motor carriers were providing service.

A total of 1837 applications for amendments were received in addition to applications for new certificates/licenses. This compares with a total of 2161 the previous years. The Board also received 65 applications for sale, assignment or transfer of certificates/licenses compared to 62 in the previous year.

	1987/88	1988/89
Intra-Provincial Freight Vehicles	2979	3272
Extra-Provincial Freight Vehicles	1577	1888
Intra-Provincial Passenger Vehicles	1411	1463
Extra-Provincial Passenger Vehicles	61	47

INSPECTION DIVISION

During 1988 the Inspection Division received 181 complaints related to Public Service Vehicles.

Twenty-seven investigations were conducted resulting in 27 charges laid against freight carriers and 5 charges laid against public passenger carriers for breaches of The Motor Carrier Act and Regulations.

The Inspection Division carried out routine inspections of 1110 freight vehicles, 72 passenger vehicles and 267 ambulance vehicles for a total of 1449 inspections.

Routine inspections resulted in 123 charges laid against freight carriers, 10 charges laid against public passenger carriers and 2 charges laid against ambulance operators for breaches of The Motor Carrier Act and Regulations. 12 charges were laid against Extra-Provincial freight carriers for breaches of The Motor Vehicle Transport Act (Canada). Sixty-one written warnings were written for minor infractions of The Motor Carrier Act and Regulations. A total of 179 summonses were issued during the year. 66 fines were paid forthwith, 22 motor carrier were prosecuted for breaches of The Motor Carrier Act and Regulations in 1987, 126 motor carriers were prosecuted for breaches of The Motor Carrier Act and Regulations committed in 1988 and 9 cases are scheduled to be heard in 1989.

It should be noted that the Inspection Division of the Board was transferred to The Department of Works, Services and Transportation on October 11, 1988 and because of added duties pertaining to enforcement of the provisions of The National Safety Code the Inspection Division did not concentrate fully on Motor Carrier related duties.

THE FOLLOWING IS A LIST OF ORDERS WHICH WERE ISSUED BY THE BOARD DURING 1988

SUMMARY OF ORDERS ISSUED UNDER THE PUBLIC UTILITIES ACT, CHAPTER 322, R.S.N. 1970

NAME OF APPLICANT	APPLICATION	DECISION	ORDER NO.
Complaint of Corner Brook Pulp and Paper Limited, Western Memorial Hospital Corporation, Memorial University of Newfoundland, General Hospital Corporation, Governing Council of the Salvation Army Canada East, St. Clare's Mercy Hospital and The Waterford Hospital Board against Newfoundland Telephone Company Limited.	Requesting an Order of the Board directing NTC to file with the Board for approval unbundled rates for its terminal equipment and trunk and other access lines, inter alia.	Multiline Customer Owned Equipment will be allowed to connect to the NTC's NAS, inter alia, as a result of a public hearing.	P.U. 18
Deer Lake Power Company Limited, Deer Lake.	Requesting an Order of the Board revising the formula for calculation of the rate for sale of surplus secondary energy sold to Newfoundland and Labrador Hydro.	Interim approval granted as a result of a meeting of of the Board.	P.U. 24

NAME OF APPLICANT	APPLICATION	DECISION	ORDER NO.
Newfoundland Light & Power Co. Limited	Approval of its Weather Normalization Reserve	Approval granted, as a result of a meeting of the Board.	P.U. 3
Newfoundland Light & Power Co. Limited	Approval for permission to amend the terms and conditions of its customer share purchase plan and employee share purchase plan.	Approval granted, as a result of public hearing	P.U. 4
Newfoundland Light & Power Co. Limited	Approval of additional capital expenditure for 1988 in the amount $2,586,000.	Approval granted, as a result of a meeting of the Board.	P.U. 10
Newfoundland Light & Power Co. Limited	Approval to issue and sell Common Shares to Fortis Inc.	Approval granted, as a result of a public hearing.	P.U. 22
Newfoundland Light & Power Co. Limited	Approval of its Capital Expenditure Budget for 1989.	Approval granted, as a result of a presentation to the Board.	P.U. 29
Newfoundland Light & Power Co. Limited	Approval of an Agreement between NLP & Hydro for methods and conditions which apply to the calculation of contribution in aid of construction and wheeling rates to Fogo and Change Islands Interconnection.	Approval granted, as a result of a meeting of the Board.	P.U. 30

NAME OF APPLICANT	APPLICATION	DECISION	ORDER NO.
Newfoundland Telephone Company Limited	Approval of the introduction of a new Mobile Telephone Unit for use with 'Mobile Telephone Service'.	Approval granted, without a public hearing.	P.U. 1
Newfoundland Telephone Company Limited	Approval to authorize the Company to introduce "Between Friends" Canada-U.S. Subscription Service and to rename "Intra Province" Service as "Between Friends-Newfoundland Service".	Interim approval granted as a result of a meeting of the Board.	P.U. 2
Newfoundland Telephone Company Limited	Approval of the introduction of two electronic key telephone system models to be known as Strata XIIe and Strata XXe.	Interim approval granted, as a result of a meeting of the Board.	P.U. 5
Newfoundland Telephone Company Limited	Approval of additional capital expenditures for 1987 in the amount of $237,000.	Approval granted, as a result of a meeting of the Board.	P.U. 6
Newfoundland Telephone Company Limited	Approval to authorize the Company to update the Loudspeaker Systems and Miscellaneous Equipment Sections of its General Tariff.	Approval granted, as a result of a meeting of the Board.	P.U. 7
Newfoundland Telephone Company Limited	Approval of the introduction of a new mobile telephone unit and an optional antenna for use with 'Public Mobile Telephone Service'.	Interim approval granted, without a public hearing.	P.U. 11

NAME OF APPLICANT	APPLICATION	DECISION	ORDER NO.
Newfoundland Telephone Company Limited	Approval of the redefinition of Exchange Rate Group 5.	Interim approval granted, as a meeting of the Board.	P.U. 12
Newfoundland Telephone Company Limited	Approval of the introduction of the Displayphone DP220.	Interim approval granted, without a public hearing.	P.U. 13
Newfoundland Telephone Company Limited	Approval of Additional Capital Expenditures for 1988 in the amount of $800,000.	Approval granted, without a public hearing.	P.U. 14
Newfoundland Telephone Company Limited	Approval of the introduction of Remote Call Forwarding Service.	Interim approval granted, without a public hearing.	P.U. 15
Newfoundland Telephone Company Limited	Approval of the introduction of the Meridian Norstar Digital Key Telephone System under a new category of key telephone systems, to be known as Digital Key Telephone Systems and to reconstruct electronic key telephone system rates.	Interim approval granted, without a public hearing.	P.U. 16
Newfoundland Telephone Company Limited	Approval of the issuance and sale of 702,741 Common Shares without par value.	Approval granted, as a result of a public hearing.	P.U. 17
Newfoundland Telephone Company Limited	Approval of the introduction of new optional key telephone equipment for use with electronic key telephone systems.	Interim approval granted, without a public hearing.	P.U. 19

NAME OF APPLICANT	APPLICATION	DECISION	ORDER NO.
Newfoundland Telephone Company Limited	Approval of the introduction of a new optional unit, for use with 'public mobile telephone service'.	Interim approval granted, without a public hearing.	P.U. 20
Newfoundland Telephone Company Limited	Approval of the introduction of a new electronic telephone system to be known as Smartalk 208.	Interim approval granted, without a public hearing.	P.U. 21
Newfoundland Telephone Company Limited	Approval to authorize the suspension for s specific period of time, the basic service charge and line connection charge associated with the provision of Remote Call Forwarding Service.	Interim approval granted, as a result of a meeting of the Board.	P.U. 23
Newfoundland Telephone Company Limited	Approval of its Capital Expenditure Budget for 1989.	Approval granted, as a result of a presentation to the Board.	P.U. 25
Newfoundland Telephone Company Limited	Approval to revise its Telecom Canada Message Toll, Wide Area Telephone Service (WATS), and 8000 Service Rate Schedules.	Interim approval granted, as a result of a meeting of the Board.	P.U. 26
Newfoundland Telephone Company Limited	Approval of the introduction of an optional battery back-up module for the Strata XIIe and XXe and additional optional equipment for use with the latest Strata System software release.	Interim approval granted, as a result of a meeting of the Board.	P.U. 27

NAME OF APPLICANT	APPLICATION	DECISION	ORDER NO.
Newfoundland Telephone Company Limited	Approval to establish a special reserve fund and authorizing the transfer of such fund of the "Excess Earnings" as hereinafter defined of Newfoundland Telephone for the fiscal period ending December 31, 1988.	Approval granted, as a result of a presentation to Board.	P.U. 28

SUMMARY OF ORDERS ISSUED UNDER THE MOTOR CARRIER ACT,
CHAPTER 242, R. S. N. 1970 AND/OR THE MOTOR VEHICLE TRANSPORT ACT, 1987

NAME OF APPLICANT	APPLICATION	DECISION	ORDER NO.
A Magical Wonderland Day Care Centre Limited St. John's	Certificate of Public Convenience and Necessity to provide an IRREGULAR PUBLIC PASSENGER BUS SERVICE etc.	Approval granted, as requested, as a result of a public hearing.	M.C. 5
Atkinson, Gary o/a Gary's Auto Corner Brook	Certificate of Public Convenience and Necessity to provide an IRREGULAR SPECIALTY FREIGHT SERVICE etc.	Approval granted, as modified, as a result of a public hearing.	M.C. 41
Bellows, Louis Dunfield	Certificate of Public Convenience and Necessity to provide an IRREGULAR SPECIALTY PUBLIC PASSENGER TAXI SERVICE etc.	Approval granted, as requested, as a result of a public hearing.	M.C. 40
Best, Leo Bernard Southern Harbour	Certificate of Public Convenience and Necessity to provide an IRREGULAR SPECIALTY PUBLIC PASSENGER BUS SERVICE etc.	Approval granted, as requested, as a result of a public hearing.	M.C. 35
Brewer, Martin Freshwater, P.B.	Amendment to Motor Carrier Certificate No: 1888 to provide a REGULAR PUBLIC PASSENGER BUS SERVICE etc.	Dismissed as a result of a public hearing.	M.C. 32

NAME OF APPLICANT	APPLICATION	DECISION	ORDER NO.
Bullen, George Harbour Breton	Awarding of Costs as a result of Order No: M.C. 26 (1987) to the Respondent.	Costs in the amount of $250.00 to be paid to the Respondent, without a public hearing.	M.C. 2
Clancy, Keith St. John's	Certificate of Public Convenience and Necessity to provide an IRREGULAR LOCAL PASSENGER BUS SERVICE etc.	Approval granted, as requested, as a result of a public hearing.	M.C. 8
Clarke Transport Canada Inc. Mount Pearl	Amendment to Extra-Provincial Operating License No: 274 to provide an IRREGULAR SPECIALTY FREIGHT SERVICE etc.	Application withdrawn after a public hearing.	M.C. 1
Coles' Transport Limited Hawke's Bay	Amendment to Extra-Provincial Operating License No: 359 to provide an IRREGULAR SPECIALTY FREIGHT SERVICE etc.	Approval granted, as requested, as a result of a meeting of the Board.	M.C. 20
Coles' Transport Limited Hawke's Bay	Amendment to Motor Carrier Certificate No: 3534 to provide a GENERAL FREIGHT SERVICE, TEMPERATURE CONTROL AND TANK FREIGHT SERVICE etc.	Approval granted, as modified, as a result of a public hearing.	M.C. 21

NAME OF APPLICANT	APPLICATION	DECISION	ORDER NO.
Dawe, H.B . Limited Cupids	Amendment to Motor Carrier Certificate No: 65 to provide an IRREGULAR RESTRICTED FREIGHT SERVICE etc.	Approval granted, as requested, as a result of a public hearing.	M.C. 14
Deer Lake, The Town of Deer Lake	For the transfer of Motor Carrier. Certificate No: 3548 to Robert Patten, o/a Reliable Ambulance Service.	Approval granted, as requested, as a result of a public hearing.	M.C. 43
Delta Oil Services (1987) Limited St. John's	Certificate of Public Convenience and Necessity to provide an IRREGULAR SPECIALTY TANK FREIGHT SERVICE etc.	Approval granted, as amended, as a result of a public hearing.	M.C. 9
Erickson Transport Corporation Springfield, Missouri	Extra-Provincial Operating License to provide an IRREGULAR SPECIALTY TANK FREIGHT SERVICE etc.	Approval granted, as requested as a result of a public hearing.	M.C. 39
Fontaine's Moving & Storage Limited Port Colborne, Ont.	Extra-Provincial Operating License to provide an IRREGULAR SPECIALTY FREIGHT SERVICE etc.	Approval granted, as requested, as a result of a public hearing.	M.C. 27
Forward, Paul Gregory Baie Verte	Certificate of Public Convenience and Necessity to provide a REGULAR PUBLIC PASSENGER BUS SERVICE etc.	Approval granted, as requested, as a result of a public hearing.	M.C. 31

NAME OF APPLICANT	APPLICATION	DECISION	ORDER NO.
Germaine & Williams Trucking Limited New Glasgow, N.S.	Amendment to Motor Carrier Certificate No: 5143 to provide an IRREGULAR SPECIALTY TEMPERATURE CONTROL FREIGHT SERVICE, etc.	Approval granted, as requested, as a result of a public hearing.	M.C. 12
Greeley's Auto Body Limited Foxtrap	Certificate of Public Convenience and Necessity to provide an IRREGULAR SPECIALTY HAULAWAY FREIGHT SERVICE etc.	Approval granted, as amended, as a result of a public hearing.	M.C. 38
Hampden Fire Department Hampden	Certificate of Public Convenience and Necessity to provide an AMBULANCE SERVICE.	Approval granted, as requested, as a result of a public hearing.	M.C. 22
Humpty Dumpty Day Nursery Ltd. St. John's	Certificate of Public Convenience and Necessity to provide an IRREGULAR PUBLIC PASSENGER BUS SERVICE etc.	Approval granted, as requested, as a result of a public hearing.	M.C. 47
LeBlanc, Michael R Mount Pearl	Certificate of Public Convenience and Necessity to provide an IRREGULAR SPECIALTY AMBULANCE SERVICE etc.	Application withdrawn by the Applicant on January 15, 1988, as a result of a public hearing on November 23, 1987.	M.C. 6
Lewisporte Wholesalers Limited Lewisporte	Certificate of Public Convenience and Necessity to provide an IRREGULAR RESTRICTED SPECIALTY FREIGHT SERVICE etc.	Approval granted, as amended, as a result of a public hearing.	M.C. 13

NAME OF APPLICANT	APPLICATION	DECISION	ORDER NO.
Loomis Armoured Car Service Vancouver, B.C.	Extra-Provincial Operating License to provide an IRREGULAR SPECIALTY ARMOURED FREIGHT SERVICE etc.	Approval granted, at a meeting of the Board.	M.C. 37
Martin's Auto Service Limited Woody Point	Amendment to Motor Carrier Certificate No: 610 to provide a SPECIALTY PUBLIC PASSENGER BUS SERVICE and a SPECIALTY PUBLIC PASSENGER TAXI SERVICE etc.	Approval granted, as modified, as a result of a public hearing.	M.C. 23
Newfound Disposal Systems Limited St. John's	Certificate of Public Convenience and Necessity to provide (1) IRREGULAR SPECIALTY FREIGHT SERVICE etc and (2) IRREGULAR SPECIALTY FREIGHT SERVICE etc.	Service No: 1 cancelled by the Applicant. Service No. 2 approved, as requested, as a result of a public hearing.	M.C. 16
NewFound Tours Limited St. John's	Extra-Provincial Operating License to provide an IRREGULAR SPECIALTY PUBLIC PASSENGER BUS SERVICE etc.	Approval granted, as requested as a result of a public hearing.	M.C. 44
NewFound Tours Limited St. John's	Certificate of Public Convenience and Necessity to provide an IRREGULAR SPECIALTY PUBLIC PASSENGER BUS SERVICE and a REGULAR SPECIALTY PUBLIC PASSENGER BUS SERVICE etc.	Approval granted, as amended, as a result of a public hearing.	M.C. 45
O'Connell, Angus Ferryland	Certificate of Public Convenience and Necessity to provide an IRREGULAR GENERAL FREIGHT SERVICE.	Application denied as a result of a public hearing.	M.C. 7

NAME OF APPLICANT	APPLICATION	DECISION	ORDER NO.
O'Keefe, Robert Tors Cove	Amendment to Motor Carrier Certificate No: 4706 to provide an IRREGULAR SPECIALTY FREIGHT SERVICE etc.	Approval granted, as requested, as a result of a public hearing.	M.C. 30
On the Board's Own Initiative	An investigation by the Board to determine whether or not Motor Carrier Certificate No: 524 of Freeman Forsey should be suspended or cancelled.	No further action is required on this matter as a result of an exparte hearing.	M.C. 3
On the Board's Own Initiative	An investigation by the Board to determine whether or not Extra-Provincial Operating No: 140 issued to Germaine & Williams Trucking Limited, New Glasgow, N.S. be amended, suspended or cancelled.	Extra-Provincial Operating No: 140 in the name of Germaine & Williams Trucking Limited be suspended for the period of February 1, 1988 to June 30, 1988 inclusive, as a result of an exparte hearing.	M.C. 4
On the Board's Own Initiative	Investigation by the Staff of the Board into Dump Truck Rates for 1988.	Approval granted, effective July 29, 1988, without a public hearing.	M.C. 33

NAME OF APPLICANT	APPLICATION	DECISION	ORDER NO.
On the Board's Own Initiative	Investigation by the Board into information brought to the Board pertaining to the operations of Hunter Hill Trucking Limited, Florenceville, N.B.	No additional action be taken against Hunter Hill in the matters raised at the hearing. Hunter Hill's Extra-Provincial Operating License No: 286 be cancelled on the 30th., day of June, 1988, as a result of a Show Cause Hearing.	M.C. 18
Pardy, Derek o/a Pardy's Septic Pumping Pasadena	Certificate of Public Convenience and Necessity to provide a SPECIALTY FREIGHT TANK SERVICE etc.	Approval granted, as requested, as a result of a public hearing.	M.C. 24
Peddle, Maxwell Clarenville	Certificate of Public Convenience and Necessity to provide an IRREGULAR RESTRICTED FREIGHT SERVICE etc.	Approval granted, as modified, as a result of a public hearing.	M.C. 26
Porter, Harold Port de Grave	Amendment to Motor Carrier Certificate No: 1799 to provide an IRREGULAR SPECIALTY PUBLIC PASSENGER TAXI SERVICE etc.	Dismissed as a result of a public hearing.	M.C. 34
Provincial Carriers Limited Mount Pearl	Amendment to Motor Carrier Certificate No: 2512 to provide an IRREGULAR ROUTE SPECIALTY TANK FREIGHT SERVICE etc.	Approval granted, as requested, as a result of a public hearing.	M.C. 19

NAME OF APPLICANT	APPLICATION	DECISION	ORDER NO.
Quinnsway Transport Limited Mount Pearl	Amendment to Motor Carrier Certificate No: 713 to provide an IRREGULAR SPECIALTY FREIGHT SERVICE etc, and an IRREGULAR RESTRICTED GENERAL FREIGHT SERVICE.	Approval granted, as amended, as a result of a public hearing.	M.C. 11
Reid, Llewellyn Green's Harbour	Amendment to Motor Carrier Certificate No: 1217 to provide an IRREGULAR SPECIALTY TANK FREIGHT SERVICE etc.	Part 1 of application withdrawn, Part 2 - Tank Service approved, as a result of a public hearing.	M.C. 25
Richardson, Joseph Deer Lake	Amendment to Motor Carrier Certificate No: 3449 to provide an IRREGULAR SPECIALTY TANK FREIGHT SERVICE.	Dismissed as a result of a public hearing.	M.C. 42
Rideout, Robert Goulds	Amendment to Motor Carrier Certificate No: 3701 to provide an IRREGULAR GENERAL FREIGHT SERVICE, etc.	Approval granted, as requested, as a result of a public hearing.	M.C. 15
Smith, Donald Spaniard's Bay	Amendment to Motor Carrier Certificate No: 2347 to provide an IRREGULAR SPECIALTY FREIGHT TANK SERVICE etc.	Approval granted, as requested, as a result of a public hearing.	M.C. 17
Smith's Minibus Service Limited St. John's	Amendment to Motor Carrier Certificate No: 5133 to provide an IRREGULAR SPECIALTY PUBLIC PASSENGER BUS SERVICE etc.	Approval granted, as modified, as a result of a public hearing.	M.C. 46

NAME OF APPLICANT	APPLICATION	DECISION	ORDER NO.
Summers Transport Limited Mount Pearl	Amendment to Extra-Provincial Operating No: 344.	Approval granted, as requested, as a result of a public hearing.	M.C. 28
Summers Transport Limited, o/a Commuter Coach Lines Mount Pearl	Certificate of Public Convenience and Necessity to provide a REGULAR PUBLIC PASSENGER BUS SERVICE etc.	Dismissed, as amended, as a result of a public hearing.	M.C. 36
Warren's Funeral Home Limited Dildo	Certificate of Public Convenience and Necessity to provide an IRREGULAR SPECIALTY AMBULANCE SERVICE etc.	Withdrawn, as a result of a public hearing.	M.C. 10
Wells Transfer Limited Dartmouth, N.S.	Amendment to Extra-Provincial Operating License No: 238.	Approval granted, as a result of a meeting of the Board.	M.C. 29

SUMMARY OF ORDERS ISSUED UNDER THE AUTOMOBILE INSURANCE ACT
SECTION 50(2)

NAME OF APPLICANT	APPLICATION	DECISION	ORDER NO.
Allstate Insurance Company	Application for approval to revise its Rating Programme for Private Passenger vehicles.	Approval granted as requested without a public hearing.	A.I. 7
Canadian Surety Insurance Company	Application for approval to adopt the I.A.O. 1987 Rating Programme for Private Passenger and Commercial classes of business.	Approval granted as requested without a public hearing.	A.I. 10
Chubb Group of Insurance Companies on behalf of the Chubb Insurance Company of Canada	Application for approval to adopt the I.A.O. 1987 Rating Programme for Private Passenger and Commercial classes.	Approval granted as requested without a public hearing.	A.I. 14
Co-Operators General Insurance Company	Application for approval to implement Standard Endorsement Form No. 43R, Waiver of Depreciation Endorsement, for its Private Passenger class of business.	Approval granted as requested without a public hearing.	A.I. 3
Facility Association	Application for approval to revise its rating programmes for Private Passenger and Commercial classes of business.	Approval granted as requested without a public hearing.	A.I. 1
Facility Association	Application for approval to revise its rating programme for Commercial vehicles to reflect credits on the experience rating plan program.	Approval granted as requested without a public hearing.	A.I. 13

NAME OF APPLICANT	APPLICATION	DECISION	ORDER NO.
General Accident Assurance Company of Canada	Application for approval to implement revised rates for Territory 1 of its Private Passenger class of business.	Approval granted as requested without a public hearing.	A.I. 9
General Accident Assurance Company of Canada	Application for approval to implement revised rates for its Commercial class of business.	Approval granted as requested without a public hearing.	A.I. 12
General Accident Assurance Company of Canada	Application for approval to implement revised rates for Territory 1 of its Private Passenger class of business.	Approval granted as requested without a public hearing.	A.I. 15
General Accident Assurance Company of Canada	Application for approval to cancel Board Orders A.I. 9(1988) and A.I. 15(1988).	Approval granted as requested without a public hearing.	A.I. 18
Guardian Insurance Company of Canada	Application for approval to implement revised rates for the Third Party category of its Private Passenger class of business.	Approval granted as requested without a public hearing.	A.I. 17
Guardian Insurance Company of Canada	Application for approval to implement a renewal discount on BI and PD premiums for its Private Passenger class of business. (7.9%).	Approval granted as requested without a public hearing.	A.I. 21
Guardian Insurance Company of Canada	Application for approval to implement a renewal discount of 15% on BI and PD premiums for its Private Passenger class of business.	Approval granted as requested without a public hearing.	A.I. 22

NAME OF APPLICANT	APPLICATION	DECISION	ORDER NO.
Home Insurance Company	Application for approval to implement revised rates for its Private Passenger class of business (Differentiated) as to Preferred (Gold Key) and Standard Groupings.	Approval granted as requested without a public hearing.	A.I. 4
Liberty Mutual Insurance Company and Liberty Mutual Fire Insurance Company	Application for approval to adopt the I.A.O. 1987 Rating Programme for their Private Passenger class of business.	Approval granted as requested without a public hearing.	A.I. 5
Lumbermens Mutual Casualty Company	Application for approval to adopt the I.A.O. 1987 Rating Programme for Passenger and Commercial classes of business.	Approval granted as requested without a public hearing.	A.I. 8
Metropolitan Insurance Company	Application for approval to implement a Rating Programme for Private Passenger vehicles.	Approval granted as requested without a public hearing.	A.I. 6
Nova Scotia General Insurance Company	Application for approval to implement revised rates for the Third Party Liability section of its Private Passenger class of business.	Approval granted as requested without a public hearing.	A.I. 11
Phoenix Continental Management on behalf of Century Insurance Company of Canada, Continental Insurance Company of Canada, Continental Insurance Company, Dominion Insurance Corp., Phoenix Assurance Company of Canada, Niagara Fire Ins. Co. and Tokio Marine and Fire Ins. Co. Ltd.	Application for approval to amend their Rating Programmes for Private Passenger vehicles.	Approval granted as requested without a public hearing.	A.I. 16

NAME OF APPLICANT	APPLICATION	DECISION	ORDER NO.
Prudential of America General Insurance Co. (Canada)	Application for approval to revise the Third Party Liability Limit Factors and the Premiums for Standard Endorsement Form No. 44 (Underinsured Motorist) for its Private Passenger class of business.	Approval granted as requested without a public hearing.	A.I. 24
Royal Insurance Company of Canada	Application for approval to implement revised rates for its Commercial class of business.	Approval granted as requested without a public hearing.	A.I. 19
Royal Insurance Company of Canada	Application for approval to implement revised rates for interurban vehicles and for Third Party coverage for taxis.	Approval granted as requested without a public hearing.	A.I. 23
Sovereign General Insurance Company	Application for approval to implement revised rates for its Private Passenger class of business and to adopt the rating programme of the I.A.O. for Miscellaneous classes.	Approval granted as requested without a public hearing.	A.I. 20
St. Paul Property and Liability Ins. Co.	Application for approval to adopt the I.A.O. 1987 Rating Programme for Private Passenger and Commercial classes.	Approval granted as requested without a public hearing.	A.I. 2
Wellington Insurance Company	Application for approval to implement revised rates for Territories 1 and 2 of its Private Passenger class of business.	Approval granted as requested without a public hearing.	A.I. 25

AUDITORS' REPORT

To the Members of the
Board of Commissioners of Public Utilities

We have examined the balance sheet of the Board of Commissioners of Public Utilities as at December 31, 1988 and the statements of revenue, expenditures and surplus and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the Board as at December 31, 1988 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles set out in the notes to the financial statements applied on a basis consistent with that of the preceding year.

Doane Raymond
Chartered Accountants

St. John's, Newfoundland

June 2, 1989

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

BALANCE SHEET

DECEMBER 31, 1988

ASSETS	1988	1987
Current		
Cash and term deposits	$ 711,092	$ 650,600
Receivables		
Hearing costs	68,548	118,314
Assessments and fees	11,413	6,039
Accrued interest	3,960	4,322
Prepaid expenses	11,775	18,069
	806,788	797,344
Investments (Note 2)	45,125	45,125
	$ 851,913	$ 842,469
LIABILITIES		
Current		
Payables and accruals	$ 94,719	$ 169,217
Motor carriers' deposits	24,056	32,166
Hearing cost deposits	3,649	7,100
	122,424	208,483
Pension fund obligations (Note 3)	837,000	
	959,424	208,483
SURPLUS (DEFICIT)		
Surplus (deficit)	(107,511)	633,986
	$ 851,913	$ 842,469

Commitments (Note 4)
Contingent liability (Note 5)

ON BEHALF OF THE BOARD

Chairman

Commissioner

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

STATEMENT OF REVENUE, EXPENDITURES AND SURPLUS

YEAR ENDED DECEMBER 31, 1988

	1988	1987
Revenue		
Assessments	$ 806,652	$ 759,718
Certificates - motor carriers	643,705	577,699
Investment income	66,927	62,473
Applications and amendments	36,235	29,484
Fines	17,605	15,555
Miscellaneous	12,088	16,031
Hearings	10,750	26,000
Sale of vehicles	4,502	
Administrative costs recovery	1,157	24,915
	1,599,621	1,511,875
Expenditures		
Insurance	4,390	5,789
Licence plates	8,629	7,750
Miscellaneous	8,978	11,177
Office supplies and printing	95,392	61,048
Pension costs	16,708	20,480
Postage	13,536	11,874
Professional services	82,681	144,377
Rent	98,145	101,324
Salaries and benefits	1,037,283	973,634
Telephone and telegraph	27,118	25,997
Travelling	81,114	78,904
Travel - memberships and registration	9,255	10,270
Vehicle operating	20,889	18,612
Vehicles purchased, net		9,632
	1,504,118	1,480,868
	95,503	31,007
Other item		
Pension fund obligations	837,000	
Excess of revenue over expenditures (expenditures over revenue)	(741,497)	31,007
Surplus, beginning of year	633,986	602,979
Surplus (deficit), end of year	$ (107,511)	$ 633,986

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

STATEMENT OF CHANGES IN FINANCIAL POSITION

YEAR ENDED DECEMBER 31, 1988

	1988	1987
Cash provided from (used for)		
Operations		
Excess of revenue over expenditures (expenditure over revenue)	$(741,497)	$ 31,007
Changes in		
Receivables	44,754	(91,207)
Prepaid expenses	6,294	(2,382)
Payables and accruals	(74,498)	45,300
Motor carriers' deposits	(8,110)	22,773
Hearing cost deposits	(3,451)	2,549
	(776,508)	8,040
Increase in pension fund obligations	837,000	
Net cash provided	60,492	8,040
Cash and term deposits, beginning of year	650,600	642,560
Cash and term deposits, end of year	$ 711,092	$ 650,600

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1988

1. Accounting policies

a) Operating revenue and expenditures

Operating revenue and expenditures are accounted for on the accrual basis.

b) Capital expenditures

The Board follows a policy of writing off all capital expenditures to expense in the year of acquisition.

The estimated cost of equipment being utilized by the Board as at December 31, 1988 is:

Equipment and furnishings	$ 131,584
Motor vehicles	9,733
	$ 141,317

2. Investments, at cost

	Market Value	Cost
Royal Bank Mortgage Corporation 9.25% mortgage certificates, maturing June 8, 1989	$ 10,000	$ 10,000
Province of Newfoundland and Labrador 6 3/4% sinking fund debentures, maturing January 15, 1992	9,000	9,875
10% sinking fund debentures, maturing February 17, 1996	23,788	25,250
	$ 42,788	$ 45,125

3. Pension fund obligations

The Board maintains a non-contributory defined benefit pension plan. This plan covers commissioners who are not eligible to receive a pension or gratuity under the Public Service (Pensions) Act, 1968 or under Section 98 of The Public Utilities Act, 1964. The plan provides pensions on retirement based on a percentage of pensionable salary for commissioners with at least five years of pensionable service.

The Actuarial report which was prepared during the year is indicating that the present value of the accrued pension benefits for four commissioners is $837,000 as at December 31, 1988, which has been reflected on the balance sheet as a long term liability. The Board intends to fund the plan on a cash basis based on required retirement payments.

The pension expense of $837,000 represents the cost to provide lifetime pensions for future retirees to December 31, 1988. Estimated annual future costs will approximate $67,000.

4. Commitments

a) Rentals

The Board has annual commitments for rental of office space and equipment of approximately $119,000 for the year ending December 31, 1989 and varying amounts for the following two years.

b) Pensions

There are at present annual pension commitments on behalf of a former commissioner and a former employee of the Board who were ineligible for pensions under the Public Service (Pensions) Act, 1968. The amount to be paid in 1989, which includes an annual escalation provision, is estimated to be $15,100.

5. Contingent liability

The Board is a defendent in an action for alleged negligence. The amount of the claim against the Board is $827,500. The action is being contested by the Board and the ultimate liability, if any, cannot reasonably be estimated at this time. Any costs which may result from the settlement of this action will be charged to income in the period in which the settlement occurs.

6. Comparative figures

Certain of the 1987 comparative figures have been reclassified to conform with the financial statement presentation adopted for 1988.